



For Immediate Release

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CIRM APPROVES PROGRAM FOR PROVIDING LOANS TO CALIFORNIA INSTITUTIONS

San Diego, Calif., September 25, 2008 – Institutions in California can now receive loans to develop products that will advance stem cell research in the state.

At a regular meeting of the Independent Citizens' Oversight Committee (ICOC), the 29 member governing board of the California Institute for Regenerative Medicine (CIRM), the state stem cell agency, the members voted to accept a policy for loaning money to for-profit and not-for-profit organizations, an integral part of CIRM's effort to strengthen California's biotechnology industry and create collateral economic benefits such as high-paying jobs and increased tax revenues.

The goal of a loan program is to fund the translation of research into research tools, medical diagnostics and devices, and therapeutic products. These loans will be targeted at the funding gaps in product development that will serve to leverage participation by follow-on investors, such as venture capital and other capital markets, and result in more products that enter the market.

Robert Klein, chairman of the ICOC, said the proposed loan program is critical for expanding the funds available for translating discoveries into therapies. "These loans will help ensure that stem cell researchers have the funding for technologies they need to take their basic research to patients. We're pleased that the loans will have additional economic benefits for California, and will bring funds back to CIRM to reinvest in more stem cell research," he said.

At the same meeting, the ICOC members considered New Faculty II grants that had been postponed from the August 12 meeting and approved guidelines for extraordinary petitions to the board. At the previous ICOC meeting, the committee approved 23 New Faculty II grants, but postponed final decisions on nine tier 2 grants and 22 tier 3 grants for today's meeting. None of the remaining grants were moved to tier 1 and therefore none were approved for funding.

The new guidelines that were approved allow grant applicants to petition the ICOC for special consideration of their application under extraordinary circumstances such as a material mistake of fact. The applicants would submit petitions in writing at least five days before a scheduled ICOC meeting.

About CIRM CIRM was established in early 2005 with the passage of Proposition 71, the California Stem Cell Research and Cures Act. The statewide ballot measure, which provided \$3 billion in funding for stem cell research at California universities and research institutions, was overwhelmingly approved by voters, and called for the establishment of an entity to make grants and provide loans for stem cell research, research facilities, and other vital research opportunities. To date, the CIRM governing board has approved 229 research and facility grants totaling more than \$614 million, making CIRM the largest source of funding for human embryonic stem cell research in the world. For more information, please visit www.cirm.ca.gov.